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8 Attorneys for Plaintiffs  
9 CARLTON RIDENHOUR aka CHUCK D  
and BRING THE NOIZE MUSIC, INC.

10  
11       IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
12                   FOR THE COUNTY OF LOS ANGELES

13  
14 CARLTON RIDENHOUR, an individual  
and BRING THE NOIZE MUSIC, INC.,  
a New York corporation.

Case No. 19STCV26654

Plaintiffs,  
vs.

## **COMPLAINT FOR FRAUD, CONVERSION AND ACCOUNTING**

17 MICHAEL CLOSTER, an individual;  
18 REACH MUSIC PUBLISHING, INC.,  
19 a Virginia corporation; REACH GLOBAL  
20 INC., d/b/a REACH GLOBAL MUSIC  
PUBLISHING, a Delaware corporation; and  
TERRORDOME MUSIC PUBLISHING,  
LLC, a New York Limited Liability  
Company and DOES 1 through 10,

## Defendants.

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For their Complaint against Defendants, Plaintiffs CARLTON RIDENHOUR (“RIDENHOUR”) and BRING THE NOIZE MUSIC, INC. (“BTNM”) allege as follows:

## INTRODUCTION

1. RIDENHOUR is a world renown performer, recording artist, musician, author and record producer professionally known as "Chuck D." RIDENHOUR is the founder, principal member and intellectual force behind the "hip-hop" group known as Public Enemy, a member of the Rock & Roll Hall of Fame. RIDENHOUR is also the sole owner of the Public Enemy trademark, registered with the U.S. trademark office.

2. RIDENHOUR's career as a hugely successful recording artist began with the songs recorded by Public Enemy for Def Jam Recordings, Inc. ("Def Jam") in 1986 and continues to this date. RIDENHOUR wrote and/or co-wrote most of the Public Enemy hit songs. RIDENHOUR has participated in the recording and production of thirteen Public Enemy studio albums as an artist, writer, producer and executive producer and has collaborated with numerous other artists. His work has been nominated for five Grammy Awards and three American Music Awards. As a result, RIDENHOUR has created an extensive and valuable catalog of musical composition and sound recording copyrights. Rolling Stone Magazine has named many of the Public Enemy albums as some of the most important music ever made.

3. In 1998 RIDENHOUR's relationship with Def Jam ended and RIDENHOUR began his career as an independent recording artist and writer. He continued to build and market Public Enemy as the unique act that it had become.

4. At that time, RIDENHOUR had not had any prior experience with music publishing nor much experience with the business side of the music business. In or about 2001, Defendant MICHAEL CLOSTER (“CLOSTER”), who had befriended RIDENHOUR a few years earlier, presented RIDENHOUR with what CLOSTER told RIDENHOUR was an opportunity to participate in the formation of a new independent music publishing company. CLOSTER led RIDENHOUR to understand that the independent company would administer his publishing and that

1 of numerous other independent artists, some of which would be recruited by  
2 RIDENHOUR or CLOSTER.

3       5. Instead, over the next 15+ years CLOSTER, along with Defendants  
4 REACH MUSIC PUBLISHING, INC. (“REACH MUSIC”), REACH GLOBAL INC.  
5 (“REACH GLOBAL”) and TERRORDOME MUSIC PUBLISHING, LLC  
6 (“TERRORDOME”), took advantage of RIDENHOUR’s lack of publishing, legal  
7 and financial knowledge and professional advisers, persuading RIDENHOUR that he  
8 was better off and was saving substantial money by trusting and allowing CLOSTER  
9 to handle all such matters. However, by committing many breaches of trust,  
10 CLOSTER, on his own and by use of REACH GLOBAL and REACH MUSIC  
11 which he owns and controls, and TERRORDOME of which he is the Managing  
12 Member, created a complex master plan that involved, and still involves,  
13 unconscionable contracts, hidden transactions, false and fraudulent copyright  
14 registrations, and false incomplete accountings. Defendants thereby deprived  
15 RIDENHOUR of the fruits of his artistic endeavors and caused him damages in  
16 excess of One Million Dollars, including the loss of a substantial portion of his music  
17 publishing catalog.

18       6. RIDENHOUR did not discover Defendants’ scheme until February 2019  
19 when CLOSTER finally produced some of the documents which CLOSTER had  
20 used to defraud RIDENHOUR. This led to an investigation by RIDENHOUR’s  
21 advisors from whom CLOSTER had tried to conceal his fraudulent actions. The  
22 investigation uncovered the nature and scope of Defendants’ actions.

23       7. In essence, CLOSTER’S plan (described in detail below) consisted of  
24 the acquisition of an *in perpetuity* interest in 42% of RIDENHOUR’s music  
25 publishing catalog (the “Ridenhour Catalog”) as it existed through 2012. Included  
26 were RIDENHOUR’s valuable rights in the musical compositions he had authored  
27 and co-authored while under contract to Def Jam Music (and its successors-in-  
28 interest) and the exclusive right to administer and exploit the musical compositions

authored and co-authored by RIDENHOUR after 2012, with no proper accounting or oversight. Also included were the exploitation of Public Enemy “re-recorded” recordings that had originally been produced while RIDENHOUR was under contract to Def Jam with no compensation to RIDENHOUR and the exploitation of independent sound recordings created and financed by RIDENHOUR, again with no compensation to RIDENHOUR.

8. RIDENHOUR brings this action to recover his publishing catalog, to be reimbursed for the monies wrongfully taken by Defendants and to recover damages suffered as a result of Defendants' actions.

## PARTIES

9. Plaintiff RIDENHOUR is an individual resident of the County of Ventura, State of California doing business in the County of Los Angeles.

10. Plaintiff BTNM is a New York corporation wholly owned by RIDENHOUR with its principal place of business in the County of Los Angeles, State of California,

11. Defendant CLOSTER is an individual resident of the State of Virginia who regularly conducts business in the State of California.

12. Defendant REACH MUSIC is Virginia corporation with its principal place of business in Virginia. REACH MUSIC maintains a place of business in this judicial district as well. CLOSTER is the sole shareholder and President of REACH MUSIC.

13. Defendant REACH GLOBAL is a Delaware corporation wholly owned by REACH MUSIC with its principal place of business located in Virginia. REACH GLOBAL regularly conducts business in California and in this judicial district.

14. Defendant TERRORDOME is a New York limited liability company with principal places of business in New York and Virginia.

15. The true names and capacity of the Defendants sued as DOE 1 through 10, whether individual, corporate, associate or otherwise, are unknown to Plaintiffs

1 who therefore sue such Defendants by their fictitious names. Plaintiffs are informed  
2 and believe and thereupon allege that each of Defendants designated as a fictitiously  
3 named Defendant is in some manner responsible for the wrongful acts complained of  
4 herein. If and when Plaintiffs ascertain the true names and capacities of DOES 1  
5 through 10, Plaintiffs will seek leave to amend this Complaint to state their true  
6 names and capacities.

7       16. Plaintiffs are informed and believe and thereupon allege that at all  
8 relevant times each of the Defendants was the agent and employee of each other  
9 Defendant and acted within the course and scope of their respective agency and/or  
10 employment in the performance of the wrongful acts alleged herein.

## JURISDICTION AND VENUE

12        17. This Court has personal jurisdiction over Defendants because each is  
13 either a resident of Los Angeles County or regularly conducts business here. Also,  
14 wrongful conduct causing harm to Plaintiffs took place in this district.

## FACTS

TERRORDOME

17       18. Plaintiffs are informed and believe that in 2001 CLOSTER developed  
18 and implemented a plan that would allow him to obtain a substantial interest in the  
19 RIDENHOUR Def Jam Catalog (“RDJC”) without paying any compensation to  
20 RIDENHOUR. At that time, CLOSTER knew that RIDENHOUR had received the  
21 rights to the RDJC as part of the termination of RIDENHOUR’s contracts with Def  
22 Jam.

23        19. CLOSTER formed TERRORDOME as a means to hold ownership  
24        interests in, and gain total control of RIDENDOUR's musical composition  
25        copyrights. CLOSTER planned to divide ownership of TERRORDOME between  
26        RIDENHOUR, REACH GLOBAL and Knight Owl Productions, Ltd. ("Knight  
27        Owl"). Knight Owl was owned by RIDENHOUR's personal manager

1       20. CLOSTER falsely represented to RIDENHOUR that the purpose of  
2 BTNM would be to enable TERRORDOME to simply administer RIDENHOUR's  
3 copyrights.

4       21. CLOSTER convinced RIDENHOUR that he would handle business  
5 matters for BTNM and caused BTNM's business address to be the same as REACH  
6 GLOBAL's address in West Palm Beach, Florida. CLOSTER also convinced  
7 RIDENHOUR to assign RIDENHOUR'S Def Jam Catalog to BTNM.

8       22. Until early 2019, CLOSTER kept possession all of BTNM's corporate  
9 and financial records. He hired an accountant (accountable only to CLOSTER) who  
10 prepared and filed false tax returns on behalf of BTNM. CLOSTER expressly  
11 authorized the filing of those tax returns.

12       23. RIDENHOUR did not know, had no reason to suspect, nor with  
13 reasonable diligence could have known, what CLOSTER was doing through BTNM.

14       24. The next step in CLOSTER's plan was the written agreement dated  
15 "made as of October 22, 2001," prepared by CLOSTER, falsely represented by  
16 CLOSTER to RIDENHOUR to be an agreement that would allow TERRORDOME  
17 to publish and administer BTNM's musical composition catalog. Although this  
18 purpose is stated in the opening paragraphs, in fact, the agreement provided that  
19 BTNM "irrevocably and absolutely assigns, conveys and sets over unto  
20 [TERRORDOME] . . . an undivided one-hundred (100%) percent interest in all  
21 worldwide right, title, interest and ownership of every nature, kind and description in  
22 and to [BTNM's] share of all songs commercially released prior to the date of this  
23 agreement. . ." and granted TERRORDOME "sole and exclusive administration  
24 rights. . ."

25       25. On October 23, 2001, CLOSTER had TERRORDOME assign its  
26 exclusive RIDENHOUR administration rights to REACH GLOBAL.

27       26. Next, CLOSTER caused an operating agreement for TERRORDOME  
28 (the "TOA") to be prepared and become effective as of January 10, 2002. The TOA

1 was entered into between BTNM, REACH GLOBAL and Knight Owl.

2       27. The TOA provided that REACH GLOBAL and Knight Owl would each  
3 contribute initial capital of only \$500 (Five Hundred Dollars); that BTNM would  
4 contribute \$500 plus its entire catalog of copyrights valued by CLOSTER at \$10,000  
5 (Ten Thousand Dollars); that the ownership of the interests in TERRORDOME  
6 would be 50% BTNM; 34% REACH GLOBAL and 16% Knight Owl; and that  
7 REACH GLOBAL would be the managing partner. CLOSTER, again falsely  
8 representing to RIDENHOUR that TERRORDOME was simply administering  
9 RIDENHOUR's musical compositions, subsequently had RIDENHOUR also  
10 individually assign all his interests in musical compositions to TERRORDOME in  
11 return for no additional interest in TERRORDOME or other compensation.

12       28. In July 2010, Knight Owl sold its 16% interest to REACH GLOBAL  
13 and BTNM. The TOA was amended on July 6, 2010 to reflect the sale – which  
14 resulted in BTNM owning a 58% interest and REACH GLOBAL a 42% interest.

15       29. At the time of the above described TERRORDOME transactions and  
16 agreements, RIDENHOUR was not an experienced businessman nor was he assisted  
17 or represented by legal, business or other counsel. RIDENHOUR received no  
18 independent advise or counsel with regard to any of the transactions, instead trusting  
19 that CLOSTER was acting in RIDENHOUR's best financial interest and that  
20 CLOSTER was, as he had continuously falsely represented, simply administering  
21 RIDENHOUR's musical catalog in order to make RIDENHOUR as much money as  
22 possible. CLOSTER continued to make these same false representations to  
23 RIDENHOUR's advisors throughout 2016, 2017 and 2018.

24       30. Through December 31, 2017, REACH GLOBAL and REACH MUSIC  
25 have not accounted for or paid TERRORDOME receipts resulting from the  
26 exploitation of the RIDENHOUR composition copyrights owned by  
27 TERRORDOME. TERRORDOME in turn never accounted to BTNM. Instead,  
28 REACH GLOBAL and REACH MUSIC have deposited various sums to

1 bank accounts owned or controlled by RIDENHOUR, but provided no accurate or  
2 complete accountings concerning such amounts.

3       31. In the summer of 2016, RIDENHOUR for the first time hired a business  
4 management company that began questioning CLOSTER's accountings and financial  
5 reports. In 2018 CLOSTER and REACH MUSIC provided some incomplete  
6 accountings and in 2019 provided what CLOSTER claimed to be a summary of all  
7 payments made to or on behalf of RIDENHOUR for the ten year period through June  
8 30, 2018.

9       32. It is not possible from the incomplete accountings provided by REACH  
10 MUSIC and CLOSTER to determine the actual amounts earned from exploitation of  
11 RIDENHOUR's musical composition catalog or the amounts retained by REACH  
12 MUSIC and/or CLOSTER.

13       33. Within the last six months, CLOSTER has supplied copies of some of  
14 the BTNM income tax returns that he had prepared to RIDENHOUR's  
15 representatives. The income tax returns state that BTNM had earned no money for  
16 the last 10 years. CLOSTER further represented that the only asset of BTNM was its  
17 ownership interest in TERRORDOME. These representations were false and known  
18 by CLOSTER to be false when made. They were intended to induce RIDENHOUR  
19 to continue to allow CLOSTER and his companies to control the administration of  
20 RIDENHOUR's musical compositions and maintain Defendants' ownership interest  
21 in those compositions. Within the last month, CLOSTER has asked RIDENHOUR  
22 to exclude his representatives from all dealings with CLOSTER and allow the *status  
quo* to continue.

24       34. According to the records of the U.S. Copyright Office, as of July  
25 1, 2019, BTNM was the registered owner of 121 separate copyrights, including those  
26 contained in the Def Jam Catalog. CLOSTER is listed as the person to contact for  
27 "Rights and Permissions."

35. Further, REACH MUSIC and CLOSTER have purported to issue master use licenses for sound recordings on behalf of BTNM as if the recordings were owned by BTNM. As far as RIDENHOUR is aware, no documents exist that convey any interest in sound recordings to BTNM.

36. Without any right to do so, CLOSTER, REACH Music and REACH GLOBAL have kept for themselves all, or a substantially all, of the money generated by the exploitation of assets owned, or purported to be owned, by BTNM.

## *HARDER THAN YOU THINK*

37. In 2007 RIDENHOUR performed vocals/raps on, and wrote, funded and produced, a sound recording of the composition titled “Harder Than You Think.” RIDENHOUR also created the derivative composition “Harder Than You Think, Just Like That” and derivatives and re-mixes of the compositions (collectively the “Harder Compositions”). RIDENHOUR also funded all marketing, promotion and videos of the Harder Compositions and sound recordings. He also appeared in the video and performed the Harder Compositions live in numerous venues around the world while touring with his group, Public Enemy. The song was originally released on the Public Enemy album, “How to Sell Soul” on compact disc, vinyl and digital formats including on i-tunes.

38. By written agreement dated July 16, 2012, CLOSTER and REACH MUSIC purported to hire music producer Gary Rinaldo (“Rinaldo”) and his companies Suburban Funk, Inc. and Pressure Network, Inc. (“Pressure”) to create new recordings (the “New Masters”) of the Harder Compositions that used RIDENHOUR’s original raps/vocals. The agreement specified that REACH MUSIC would pay the expenses and Rinaldo and/or his companies would own 100% of the New Masters subject to the exclusive right of REACH MUSIC to administer and collect all revenues for the entire copyright term and retain a commission of 25% of all revenues collected. CLOSTER then continued to market this “New Master” as a Public Enemy/Ridenhour song in order to obtain numerous TV and film licenses.

1       39. By written agreement dated November 30, 2017 between Rinaldo and  
2 REACH MUSIC, Rinaldo confirmed that the New Masters, all of which contained  
3 RIDENHOUR's vocal/rap performances were owned by Pressure and that all monies  
4 due under the July 16, 2012 agreement had been received. REACH MUSIC and  
5 Rinaldo further agreed that from November 30, 2017 forward REACH MUSIC would  
6 take a 25% commission "off the top," deduct all expenses incurred and split the  
7 remaining net 50% each between Pressure and REACH MUSIC.

8        40. To the extent that the New Masters are any different from the original  
9 sound recordings of the Harder Compositions, they are unauthorized derivative works  
10 of the original recordings containing RIDENHOUR's original vocal/rap  
11 performances, financed and produced by RIDENHOUR. REACH MUSIC has no  
12 legal right to exploit the New Masters. REACH MUSIC also continues to use the  
13 Public Enemy trademark and brand.

14        41. On information and belief, REACH MUSIC has received many  
15        hundreds of thousands of dollars from the exploitation of the New Masters and  
16        REACH MUSIC has wrongfully converted all such monies to its own account.

THE RE-RECORDS

18        42. CLOSTER, REACH MUSIC and REACH GLOBAL have hired  
19 numerous individual producers and entities to create so called “re-records” of Public  
20 Enemy sound recordings (the “Re-Records”) produced and financed by  
21 RIDENHOUR.

22        43. The Re-Records are no more than re-edits or re-mixes of existing  
23 recordings and are not entitled to separate copyright protection. On information and  
24 belief, REACH MUSIC and CLOSTER, with full knowledge that the Re-Records  
25 were and are not entitled to copyright protection and were made without permission  
26 or authorization, have exploited the Re-Records for their own commercial gain.

27       44. To RIDENHOUR's knowledge and by CLOSTER's own admission, no  
28 written agreements exist that properly or legally permit CLOSTER or REACH

## MUSIC to exploit the Re-Records.

45. On information and belief, CLOSTER and REACH MUSIC have generated many hundreds of thousands of dollars from exploitation of the Re-Records and wrongfully converted most, if not all, of such illegal proceeds to their own account.

THE BMG TRANSACTION

46. In February 2019, RIDENHOUR discovered that as of October 26, 2015, REACH MUSIC had appointed BMG Rights Management (US), LLC (“BMG”) administrator of all compositions owned or controlled by REACH MUSIC, including 388 compositions identified by a filing with the United States Copyright Office in March of 2016.

47. Fifty-Two of the 388 listed compositions identify RIDENHOUR as a writer or co-writer.

48. Neither RIDENHOUR nor his advisors had ever been informed of the appointment of BMG and has never received any accountings that identified BMG or any payments that purported to be money generated by BMG's administration.

49. The deal with BMG is and was another way for CLOSTER and REACH MUSIC to hide RIDENHOUR related transactions and generate money without accounting to RIDENHOUR for any of it.

**FIRST CAUSE OF ACTION FOR CONVERSION**  
(Against All Defendants)

50. RIDENHOUR and BTNM repeat and incorporate by reference as though fully set forth the allegations contained in Paragraphs 1 through 49 above.

51. By the transactions set forth above, CLOSTER, REACH MUSIC, REACH GLOBAL and TERRORDOME have wrongfully converted substantial ownership in many valuable copyrights owned by Plaintiffs and have wrongfully converted hundreds of thousands of dollars in royalties received from exploitation of the Ridenhour Catalog, the RDJC, the New Masters and the Re-Records.

52. As a direct and proximate result of Defendants' wrongful actions, Plaintiffs have been damaged in an amount in excess of One Million Dollars (\$1,000,000).

53. Defendants' wrongful actions have been done with malice and the intent to harm Plaintiffs. Plaintiffs are entitled to an award of exemplary damages sufficient to deter such wrongful conduct in the future.

**SECOND CAUSE OF ACTION FOR FRAUD**  
(Against Defendants CLOSTER, REACH MUSIC and REACH GLOBAL)

54. Plaintiffs repeat and incorporate by reference the allegations contained in Paragraphs 1 through 49 and 51 through 53 above, as though fully set forth.

55. Plaintiffs reasonably relied to their detriment on the false representations by CLOSTER, REACH MUSIC and REACH GLOBAL. Had Plaintiffs known the falsity of the representations, Plaintiffs would not have allowed Defendants to dominate and control exploitation of Plaintiffs' copyrights and the operations of BTNM to the damage of Plaintiffs.

56. By concealing the material facts pertaining to Defendants' exploitation of the New Masters and the Re-Records and the ownership by TERRORDOME of Ridenhour's Catalog, Defendants wrongfully profited to Plaintiff's detriment in the amount of many hundreds of thousands of dollars.

57. Plaintiffs are entitled to an award of exemplary damages in an amount sufficient to deter such fraudulent conduct in the future.

**THIRD CAUSE OF ACTION FOR AN ACCOUNTING**  
(Against all Defendants)

58. Plaintiffs repeat and incorporate by reference as though fully set forth the allegations contained in Paragraphs 1 through 49, 51 through 53 and 55 through 57, above.

59. Defendants are in sole control of the records needed to ascertain the amounts due Plaintiffs pursuant to the agreements and understandings alleged in this

1 complaint. Plaintiff has no means whatsoever by which he could assemble the  
2 information necessary to calculate what is owed him by Defendants.

3 60. Plaintiffs are entitled to an order of this court directing Defendants  
4 to render a complete and honest accounting of all sums due Plaintiffs and to pay  
5 Plaintiffs the sums shown due by such accounting.

6 WHEREFORE, Plaintiffs pray as follows:

7 1. For damages on the First and Second Causes of Action in an  
8 amount according to proof in excess of One Million Dollars;

9 2. For an Order restoring to Plaintiffs full ownership of their musical  
10 composition copyright catalogs;

11 3. For an Order that Defendants account to Plaintiffs and pay all  
12 sums due pursuant to such accounting;

13 4. For exemplary damages sufficient to deter such wrongful conduct  
14 in the future;

15 5. For costs of suit herein, including attorneys' fees if allowed; and

16 6. For such other or further relief as the Court deems just and proper.

17 Dated: July 29, 2019

18 LAW OFFICES OF ROBERT S. BESSER

19 By: s/ Robert S. Besser

20 ROBERT S. BESSER  
21 Attorneys for CARLTON RIDENHOUR  
pka CHUCK D and BRING THE NOIZE MUSIC, INC.

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